

UNITED STATES BANKRUPTCY
COURT DISTRICT OF NEW JERSEY

FEE APPLICATION COVER SHEET FOR THE PERIOD
DECEMBER 29, 2022 THROUGH OCTOBER 2, 2023

Debtor:	<u>BlockFi, Inc. et al.,¹</u>	Applicant:	<u>Brown Rudnick LLP</u>
Case No.:	<u>21-19361(MBK)</u>	Client:	<u>Official Committee of Unsecured Creditors</u>
Chapter:	<u>11</u>	Case Filed:	<u>November 28, 2022</u>

SECTION 1
FEE SUMMARY

☐ Monthly Fee Application No. __ or ☐ Interim Fee Application No. __ or ☒ Final Fee Application

Summary of Amounts Requested for the Period from December 29, 2022 through October 2, 2023 (the "Final Fee Application").

Total Fees and Disbursements Requested:	\$11,033,422.24
Total Fees Requested:	\$10,739,931.00 ^{2 3}
Total Disbursements Requested:	\$293,491.24 ⁴
 Total Fees and Disbursements Sought:	 \$10,988,422.24⁵
 Holdbacks Due:	 \$810,672.40
(20% holdback of Fees From 8 th through 9 th . Monthly Fee Statements)	\$140,191.85

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965); and BlockFi Lending II LLC (0154). The location of the Debtors' service address is c/o M3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

² Brown Rudnick excluded fees in the amount of \$179,611.00 in respect of transient timekeepers and other voluntary reductions.

³ The total fees requested in this Final Fee Application includes \$30,421.00 for time spent in connection with the preparation and filing of this Final Fee Application.

⁴ Brown Rudnick has voluntarily excluded a total of \$28,435.17 in costs during the Final Fee Application Period, including \$3,403.58 in costs previously requested on the Monthly Fee Statements.

⁵ Reflects \$45,000 reduction of fees allowed pursuant to the Court's *Order Allowing Interim Compensation for Services Rendered and Reimbursement of Expenses of the Retained Professionals* [Docket No. 1545].

Second Interim Application: \$670,480.55⁶

Amount Due not Previously Requested:

October 1, 2023 – October 2, 2023 Fees and Expenses: \$26,170.43

Fees Incurred in Preparation of Final Fee Application: \$30,241.00

Previously Unbilled Cost \$2,040.00

⁶ The hearing date for Brown Rudnick's Second Interim Application is set for December 19, 2023.

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years of Professional Service)	HOURS	RATE	FEE
1. Robert J. Stark	Partner 1995	664.0	\$1,950	\$1,283,147.50
2. Jeffrey L. Jonas	Partner 1988	62.9	\$1,650	\$103,689.00
3. William R. Baldiga	Partner 1983	.9	\$1,650	\$1,485.00
4. Steven B. Levine	Partner 1981	22.4	\$1,525	\$34,160.00
5. Bennett S. Silverberg	Partner 2001	612.2	\$1,390	\$839,111.50
6. Stephen D. Palley	Partner 1998	257.2	\$1,390	\$336,026.00
7. Vincent J. Guglielmotti	Partner 2005	62.2	\$1,375	\$85,525.00
8. Barbara J. Kelly	Partner 1982	.8	\$1,375	\$1,100.00
9. Michael S. Winograd	Partner 2001	13.6	\$1,280	\$17,408.00
10. Nicole M. Bouchard	Partner 2009	163.7	\$1,200	\$196,440.00
11. Andrew M. Carty	Partner 2013	20.8	\$1,200	\$24,960.00
12. Kenneth J. Aulet	Partner 2012	1,095.8	\$1,200	\$1,303,895.00
13. Patrick E. Gilman	Partner 2005	657.2	\$1,195	\$775,653.50
14. Cameron D. Moxley	Partner 2005	31.7	\$1,105	\$35,028.50
15. Rodney A. Bedow	Partner 2011	38.4	\$1,060	\$40,704.00
16. Susan Sieger-Grimm	Counsel 1997	71.9	\$1,055	\$75,854.50
17. Shari I. Dwoskin	Partner 2014	453.1	\$1,025	\$459,968.75
18. Jonathan Fahey	Counsel 2000	12.7	\$1,025	\$13,017.50
19. Matthew Richardson	Partner 2022	11.0	\$1,025	\$6,918.75
20. Tristan G. Axelrod	Partner 2015	581.9	\$1,000	\$565,695.50
21. Eileen H. Citron	Counsel 2009	264.7	\$1,000	\$264,700.00
22. Harold S. Laidlaw	Associate 2015	17.0	\$975	\$16,575.00
23. Hailey Lennon	Partner 2012	438.3	\$975	\$427,342.50
24. Christine Connell	Associate 2016	52.9	\$955	\$50,519.50
25. Franklin S. Krbecek	Associate 2018	111.6	\$940	\$104,904.00
26. Anthony F. Buscarino	Associate 2017	838.5	\$940	\$788,190.00
27. Isabelle R. Jacobs	Associate 2018	111.1	\$940	\$104,434.00
28. Jason R.U. Rotstein	Associate 2019	135.6	\$940	\$127,464.00
29. Daniel J. Healy	Partner 1999	7.4	\$925	\$6,845.00
30. Matthew A. Sawyer	Associate 2019	498.5	\$890	\$438,386.00
31. Ivan Chaykovskiy	Associate 2012	6.9	\$890	\$6,141.00

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years of Professional Service)	HOURS	RATE	FEE
32. Alexander F. Kasnetz	Associate 2018	305.5	\$890	\$271,895.00
33. Martha Baselga	Associate 2014	137.6	\$870	\$119,712.00
34. Lydell W. Benson, Jr.	Associate 2022	150.0	\$765	\$114,750.00
35. Luis Vargas Rivera	Associate 2021	73.5	\$765	\$56,227.50
36. Alessandra Maldonado	Associate 2021	30.6	\$765	\$23,409.00
37. Nicholas Joynson	Associate 2021	573.2	\$765	\$438,498.00
38. Jennifer M. Schein	Associate 2017	54.8	\$765	\$41,922.00
39. Natasha Ertzbischoff	Associate 2021	180.9	\$685	\$123,916.50
40. Ethan Lin	Associate 2022	50.9	\$685	\$34,866.50
41. Andrew Rizkalla	Associate 2021	595.5	\$685	\$377,895.00
42. David Weinstein	Associate 2020	2.4	\$685	\$1,644.00
42. Trip Franzese	Associate 2022	554.7	\$635	\$347,789.50
43. Isabella K. Blanes	Associate 2021	8.2	\$635	\$5,207.00
44. Chloe Kealey	Associate 2021	114.1	\$605	\$69,030.50
45. Harriet E. Cohen	Paralegal	131.9	\$490	\$64,631.00
46. Thomas Burns	Paralegal	8.4	\$490	\$4,116.00
47. Susan G. Oldham	Paralegal	62.8	\$485	\$30,213.00
48. Carlene M. Mercier	Paralegal	5.5	\$485	\$2,667.50
49. Julie W. Ramirez	Paralegal	39.1	\$470	\$18,377.00
50. Madelyn A. Soliman	Paralegal	110.5	\$470	\$51,935.00
51. Alexa R. Zackasee	Marketing Staff	18.0	\$330	\$5,940.00
TOTALS		10,525.0		\$10,739,931.00

Fee Totals: \$10,739,931

Disbursements Totals: \$293,491.24

Total Fee Application \$11,033,491.24

**SECTION II
SUMMARY OF SERVICES**

SERVICES RENDERED	HOURS	FEE
a) Asset Analysis and Recovery: Identification and review of potential assets including causes of action and non-litigation recoveries.	143.0	\$171,688.50
b) Asset Disposition Sales, leases, abandonment and related transaction work.	0.0	\$0.00
c) Avoidance Action Litigation Preference and fraudulent transfer litigation.	17.6	\$18,858.00
d) Business Operations Issues related to debtor-in-possession operating in chapter 11 such as employee, vendor, tenant issues and other similar problems.	0.0	\$0.00
e) Case Administration Coordination and compliance activities, including preparation of statement of financial affairs, schedules, list of contracts, United States Trustee interim statements and operating reports; contacts with the United States Trustee; general creditor inquiries.	249.2	\$145,925.50
f) Claims Administration and Objections Specific claim inquiries; bar date motions; analyses, objections and allowance of claims.	366.9	\$351,650.00
g) Employee Benefits/Pensions Review issues such as severance, retention, 401K coverage and continuance of pension plan.	0.0	\$0.00
h) Fee/Employment Applications Preparations of employment and fee applications for self or others; motions to Establish interim procedures.	318.9	\$263,192.00
i) Fee/Employment Objections Review of an objections to the employment and fee applications of others	87.5	\$102,810.00
j) Financing Matters under 361, 363 and 364 including cash collateral and secured claims; loan document analysis.	0.0	\$0.00
k) Litigation/Contested Matters Other than Avoidance Action Litigation (there should be a separate category established for each major matter).	365.5	\$394,922.50
l) Meetings of Creditors Preparing for and attending the conference of creditors, the 341(a) meeting and creditors' committee meetings.	889.1	\$1,085,737.00

SERVICES RENDERED	HOURS	FEE
m) Plan and Disclosure Statement Formulation, presentation and confirmation; compliance with the plan confirmation order, related orders and rules; disbursement and case closing activities, except those related to allowance and objections to allowance of claims.	1,880.0	\$2,239,239.00
n) Relief from Stay Proceedings Matters relating to termination or continuation of automatic stay under 362	495.6	\$509,537.50
o) Accounting/Auditing Activities related to maintaining and auditing books of account, preparation of financial statements and account analysis.	0.0	\$0.00
p) Business Analysis Preparation and review of company business plan; development and review of strategies; preparation and review of cash flow forecasts and feasibility studies.	0.0	\$0.00
q) Corporate Finance Review financial aspects of potential mergers, acquisitions and disposition of company or subsidiaries.	0.0	\$0.00
r) Data Analysis Management information systems review, installation and analysis, construction, maintenance and reporting of significant case financial data, lease rejection, claims, etc.	0.0	\$0.00
s) Litigation Consulting Providing consulting and expert witness services related to various bankruptcy matters such as insolvency, feasibility, avoiding actions; forensic accounting, etc.	0.0	\$0.00
t) Reconstruction Accounting Reconstructing books and records from past transactions and bringing accounting current.	0.0	\$0.00
u) Tax Issues Analysis of tax issues and preparation of state and federal tax returns.	286.7	\$337,549.50
v) Valuation Appraise or review appraisals of assets.	0.0	\$0.00
w) Travel Time (billed @ 50%)	163.3	\$95,609.00
x) Committee Governance Matters Analysis regarding committee governance matters, including creation of by-laws and addressing other governance matters.	4.1	\$3,375.50
y) Investigation and Due Diligence (Committee Investigation) Investigation and analysis of prepetition transactions and activities of the Debtor and related entities and assessment of potential claims and causes of action.	4,577.6	\$4,264,262.50

SERVICES RENDERED	HOURS	FEE
z) Hearings Preparation for and attendance at hearings.	153.6	\$211,538.50
aa) Wallet Motion and Related Analysis Investigation and analysis of return of Wallet funds.	434.6	\$438,280.00
bb) BlockFi v. Emergent Fidelity Technologies Issues relating to adversary proceeding against Emergent Fidelity Technologies related to, among other things, competing claims to Robin Hood equity securities and certain cash.	72.9	\$87,780.00
cc) Regulatory Issues Investigation and analysis of regulatory issues and assessment of impact on proceedings.	18.9	\$17,976.00
SERVICE TOTALS:	10,525.0	\$10,739,931.00

**SECTION III
FEE APPLICATIONS FILED IN ACCORDANCE WITH
INTERIM FEE ORDER MONTHLY FEE
APPLICATIONS**

	Fee Period	Date & Docket No.	Requested Fees	Requested Expenses	Previously Allowed Fees (80%)	Previously Allowed Expenses (100%)	Fee Holdback (20%)	Total Remaining to Be Paid
1	12/29/22 – 1/31/23	3/14/23 Docket No. 617	\$1,493,625.00	\$10,129.53	\$1,194,900.00	\$10,129.53	\$298,725.00	\$0.00
2	2/1/23 – 2/28/23	3/29/23 Docket No. 698	\$1,390,971.00	\$32,544.62	\$1,112,776.80	\$32,544.62	\$278,194.20	\$0.00
3	3/1/23 – 3/31/23	4/12/23 Docket No. 734	\$2,219,085.00	\$82,428.76	\$1,775,268.00	\$82,428.76	\$443,817.00	\$0.00
4	4/1/23 – 4/30/23	5/12/23 Docket No. 872	\$1,533,761.50	\$82,419.61	\$1,227,009.20	\$82,419.61	\$306,752.30	\$0.00
5	5/1/23 – 5/31/23	6/16/23 Docket No. 1087	\$1,278,613.75	\$22,308.15	\$1,022,891.00	\$22,308.15	\$255,722.75	\$255,722.75
6	6/1/23 – 6/30/23	7/12/23 Docket No. 1189	\$1,159,495.50	\$16,623.99	\$927,596.40	\$16,623.99	\$231,899.10	\$231,899.10
7	7/1/23 – 7/31/23	8/11/23 Docket No. 1345	\$914,293.50	\$18,725.88	\$731,434.80	\$18,725.88	\$182,858.70	\$182,858.70
8	8/1/23 – 8/31/23	9/19/23 Docket No. 1534	\$342,884.50	\$9,360.76	\$274,307.60	\$9,360.76	\$68,576.90	\$68,576.90
9	9/1/23 – 9/30/23	10/11/23 Docket No. 1712	\$358,074.75	\$9,625.01	\$286,459.80	\$9,625.01	\$71,614.95	\$71,614.95
	10/1/23 – 10/2/23 Not Previously Submitted	N/A	\$18,885.50	\$9,324.93 ⁷	N/A	N/A	N/A	\$28,210.43
	Time Spent Preparing Final Fee Application	N/A	\$30,241.00	\$0.00	N/A	N/A	N/A	\$30,241.00
		TOTAL	\$10,739,931.00	\$293,491.24	\$8,552,643.60	\$284,166.31	\$2,138,160.90	\$869,123.83

⁷ Includes \$2,040.00 of costs not previously included on a monthly fee application.

**SECTION IV
INTERIM FEE APPLICATIONS**

	Fee Period	Date & Docket No.	Fees Requested	Expenses Requested	Fee Examiners Recommended Fee Adjustments	Fees Allowed	Allowed Expenses	Fee Holdback (20%)	Total Remaining to be Paid
1	12/29/23 - 4/30/23	6/15/23 Docket No. 1074	\$6,637,422.50	\$207,522.52	\$45,000.00	\$6,592,422.50	\$205,585.02	\$1,327,488.50	\$0.00
2	5/1/23 - 7/31/23 ⁸	9/15/23 Docket No. 1507	\$3,352,402.75	\$57,658.02	TBD	TBD	TBD	\$670,480.55	\$670,480.55
		TOTAL	\$9,989,825.25	\$265,180.54		\$6,592,422.50	\$205,585.02	\$1,997,969.05	\$670,480.55

⁸ The hearing date for Brown Rudnick's Second Interim Application is set for December 19, 2023.

**SECTION V
SUMMARY OF DISBURSEMENTS**

DISBURSEMENTS	AMOUNT
a) Filing Fees Payable to Clerk of Court.	\$1,013.08
b) Computer Assisted Legal Research Westlaw, Lexis and a description of manner calculated. Westlaw and LEXIS at vendor cost.	\$74,158.23
c) Pacer Fees Payable to the Pacer Service Center for search and/or print.	\$531.00
d) Fax Include per page fee charged.	\$0.00
e) Case Specific Telephone/Conference Call Charges Exclusive of overhead charges. Court-Solutions	\$0.00
f) In-house Reproduction Services Exclusive of overhead charges.	\$9,064.25
g) Outside Reproduction Services Including scanning services. This includes trial preparation.	\$10,912.96
h) Other Research Title searches, UCC searches, Asset searches, Accurint.	\$229.00
i) Court Reporting Transcripts.	\$14,324.82
j) Travel Mileage, tolls, airfare, parking.	\$79,592.60
k) Courier & Express Carriers Overnight and personal delivery.	\$650.14
l) Postage	\$21.00
m) Other (specify) Professional Services In-House Investigative Services.	\$62,924.00
n) Other (specify) Meals	\$4,801.66

DISBURSEMENTS	AMOUNT
o) Messenger	\$342.91
p) Consulting Cyber Team Six, LLC	\$25,000.00
q) Website and Hosting	\$7,885.59
r) Case Management Software	\$2,040.00
DISBURSEMENTS TOTAL:	\$293,491.24

I certify under penalty of perjury that the above is true and correct to the best of my knowledge, information, and belief.

Date: December 8, 2023

/s/ Robert J. Stark